

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 2.6
(ID # 28710)

MEETING DATE:
Tuesday, October 07, 2025

FROM : AUDITOR CONTROLLER

SUBJECT: AUDITOR-CONTROLLER: Fiscal Year 2024-2025 Auditor-Controller Reports of Funds Established, Funds Close and Funds with Negative Cash Balances as of June 30, 2025. All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors receive and file the Auditor-Controller Reports of:

1. Funds Established in Fiscal Year 2024-2025
2. Funds Closed in Fiscal Year 2024-2025
3. Funds with Negative Cash Balances as of June 30, 2025

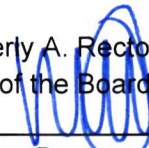
ACTION:Consent

Ben J. Benoit
Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 9/30/2025

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: October 7, 2025
xc: Auditor

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	24/25

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Pursuant to Board of Supervisors Policy Number B-14, Section 25252 of the Government Code and Board Resolution No. 2010-205, the Auditor-Controller's Office reports to the Board of Supervisors all funds established and closed during the fiscal year and all funds resulting in a negative cash balance at the end of the fiscal year.

Attachment "A" represents 18 new funds that were established during the fiscal year.

Attachment "B" represents 8 funds that were closed during the fiscal year.

Attachment "C" reports the funds that had negative cash balances as of June 30, 2025, including custodian's explanations for their cash deficit.

ATTACHMENT A. Funds Established in Fiscal Year 2024/2025

ATTACHMENT B. Funds Closed in Fiscal Year 2024/2025

ATTACHMENT C. County Funds with Negative Cash Balance as of June 30, 2025

Dolores Reyna
 Dolores Reyna, Principal Management Analyst 10/1/2025



Attachment A
Funds Established During Fiscal Year 2024/2025

Fund	Fund Name	Effective Date
11210	Integrated Service Delivery	12/18/2024
11220	Superior Court - Unfunded Actuarial Liability	3/7/2025
11230	Unincorporated Communities Initiative District 1	6/30/2025
11240	Unincorporated Communities Initiative District 2	6/30/2025
11250	Unincorporated Communities Initiative District 3	6/30/2025
11260	Unincorporated Communities Initiative District 4	6/30/2025
11270	Unincorporated Communities Initiative District 5	6/30/2025
20582	Landscaping & Lighting Maintenance District No. 89-1-Consolidated, Street Lighting Zone 242	1/29/2025
20583	Landscaping & Lighting Maintenance District No. 89-1-Consolidated, Street Lighting Zone 245	1/29/2025
20909	Community Facilities Districts 24-1M Sunstone	12/18/2024
20910	Community Facilities Districts 25-1M Rancho El Mineral	2/18/2025
20911	Community Facilities Districts 25- 2M Summerwell	2/18/2025
21341	California Transformative Climate Communities	11/8/2024
21454	Office On Aging Advances	1/7/2025
22280	Mental Health Diversion Fund	1/8/2025
22730	Eastern Coachella Valley Enhanced Infrastructure Financing District	9/16/2024
30571	Flood Control Facilities-Area Plan 15	12/18/2024
50430	Section 115 Other Post Employment Benefits Trust	7/16/2024



Attachment B
Funds Closed During Fiscal Year 2024/2025

Fund	Fund Name	Effective Date
25420	Recreation	4/15/2025
25520	Arundo Removal	4/7/2025
25600	County Service Area Park Maintenance & Operations	4/7/2025
25610	Community Centers Maintenance & Operations	4/7/2025
31555	Riverside County Economic Development Community Service Area 145 Quimby	3/17/2025
32710	Economic Development A Mitigation Projects	11/19/2024
45700	Internal Service Fund-Surplus Services	3/17/2025
65330	Riverside County Economic Development Community Service Area 152-Cat City Storm	4/30/2025

Attachment C

County Funds with Negative Cash Balance as of June 30, 2025



FUND NUMBER	FUND NAME	BALANCE AS OF JUNE 30, 2025	EXPLANATION
65650	Treasurer Unapportioned Interest	(\$13,670,914)	The negative cash balance is due to a timing difference caused by the recognition of interest earnings. The earnings were advanced to shareholders during the 4th Quarter Interest Apportionment distribution. The corresponding accrual and accounting entry will not be recognized until September 2025, with the related cash flows scheduled for July and September. As of July 2025, the fund reflects a positive balance.
21450	Office of Aging	(\$4,133,609)	The Office on Aging operates on a reimbursement basis in arrears from the federal and state governments primarily through the California Department of Aging. Expenses are incurred before submitting a reimbursement request. Reimbursements for claims are typically received in the first quarter of the fiscal year, while requests for fourth-quarter funds aren't fulfilled until September of the new fiscal year. The Office on Aging will maintain these accounts throughout the year to reflect the receivables against the negative cash balance.
30100	Capital Construction Land and Building Acquisition	(\$2,842,427)	The negative fund cash balance is primarily due to outstanding balances from contracts related to the Integrated Workforce Management Solution agreement. Facilities Management will continue coordinating with departments to address and resolve these past due amounts. The pass-thru budget is utilized by Facilities Management for large non-capital and capital projects. Facilities Management revenue is collected after expenditures are posted, which will result in a negative cash balance.
11158	Worker's Compensation insurance Fund	(\$2,551,046)	This fund is designated for the District Attorney's Office to prosecute Workers' Compensation fraud cases involving the California Department of Insurance. The negative cash balance is due to a timing difference, as the related expenditures were properly accounted for in fiscal year 2025. The reimbursements for these expenses were received in the first quarter of fiscal year 2026. As of August 2025, the fund reflects a positive balance.
22800	In- Home Supportive Services Authority	(\$878,006)	This fund supports the administrative expenses of the In-Home Supportive Services Public Authority. The negative cash balance reflects the timing of the fourth-quarter payment. Throughout the year, the fund regularly experiences timing differences related to state reimbursements.
50000	401 (a) Defined Benefit Plan	(\$611,865)	The fund is used to provide retirement benefits for part-time and temporary employees. The negative cash balance is primarily the result of timing differences between collections and payments, along with recent changes to deduction codes implemented through union negotiations.
21841	California Proposition 56 Local Oral Health	(\$474,195)	This fund is used to record public health expenses eligible under the California Proposition 56 Local Oral Health Plan. Funding is received on a reimbursement basis, with claims submitted 60 days after each quarter and payments made within the following 60 days. The negative cash balance reflects the third-quarter claim submitted in mid-May, with payment anticipated by the end of July. It also includes fourth-quarter expenses, which will be submitted for reimbursement in mid-August.
22350	Special Aviation	(\$287,370)	The purpose of this fund is to support Federal Aviation Administration approved projects, which remain eligible for full reimbursement. One project exceeded its initial budget, but the FAA has confirmed that the additional costs qualify for reimbursement. The FAA policy only allows partial reimbursement and until the grant is formally closed. A first quarter fiscal year 2026 budget adjustment will be processed in October 2025.
65060	Life Insurance	(\$283,001)	This fund serves as a payroll clearing account. The negative cash balance is primarily the result of timing differences in transfers and adjustments between other payroll-related funds. In fiscal year 2025, Human Resources Management implemented a rate adjustment strategy to gradually reduce and address the negative cash balance.
11197	Tax Collector Non-Sufficient Funds	(\$127,144)	This fund serves as a non-sufficient funds chargeback fund. As a result, the cash balance will consistently appear negative. Outstanding liabilities are ultimately recovered from taxpayers or through bank collections.
11156	Auto insurance Fraud-Urban	(\$102,532)	The purpose of the fund is to capture and prosecute automobile insurance fraud activity for the District Attorney's Office. The negative cash balance is due to a timing difference as the related expenditures were properly accounted for within the appropriate fiscal year 2025. Reimbursements are received within the 1st quarter of the following fiscal year. As of July 2025, the fund has a positive balance.
11118	Department of Insurance - Auto Insurance Fraud	(\$33,582)	The purpose of the fund is for the District Attorney's Office to prosecute California Department of Insurance automobile fraud cases. The negative cash balance is due to a timing difference as the related expenditures were properly accounted for within the appropriate fiscal year 2025. Reimbursements are received within the 1st quarter of the following fiscal year. As of July 2025, the fund has a positive balance.

65265	Abstract of Judgement	(\$21,169)	The purpose of this fund is to account for activities related to employee garnishment payments and deposits. The negative cash balance resulted from overpayments to the California Department of Child Support Services and other agencies. The team is actively working with the Franchise Tax Board and other state agencies to resolve these overpayments.
65145	Old Age, Survivors and Disability Insurance - Other	(\$10,846)	This fund serves as a clearing account for the payroll department. The negative cash balance was the result of timing, as the tax deposit for the special district was processed in July but appeared on the U.S. Bank statement dated June 30. An entry was recorded to move this transaction into June to properly account for the payment in fiscal year 2025. As of August 2025, the fund reflects a positive balance.
11011	Auditor-Forged Warrants	(\$8,900)	The purpose of this fund is to capture activities related to the replacement of forged warrants. Forged warrants are warrants presented and cashed by someone other than the payee. The County becomes aware of forged warrants when the original payee submits a claim to the Auditor Controller's Office. The Auditor Controller's Office then submits the claim to the bank to recover funds, however there is a timing difference between the reissuance and the refunds from the bank.
65105	Federal withholding Tax Other	(\$8,420)	This fund serves as a clearing account for the payroll department. The negative cash balance was the result of timing, as the tax deposit for the special district was processed in July but appeared on the U.S. Bank statement dated June 30. An entry was recorded to move this transaction into June to properly account for the payment in fiscal year 2025. As of August 2025, the fund reflects a positive balance.
65268	Post Employment Health Savings	(\$5,733)	The fund serves as a clearing account. The negative cash balance is due to the timing of transfers and adjustments between payroll and other contributions postings.
20584	March Joint Powers Authority Land and Landscape Maintenance District	(\$5,552)	The purpose of this fund is to capture activities related to the Landscape and Maintenance District (LMD) portion of the March Joint Powers Authority (JPA). County Counsel charges were incorrectly posted to subfund 20584 rather than Transportation Fund 20000, however has been since corrected. Fund is positive as of August 2025.
20302	Land and Landscape Maintenance District Zone 3	(\$5,413)	The purpose of this sub-fund is to track property tax payments for the maintenance of landscapes. Revenue is received with the distribution of Secured Property taxes in January and May. The negative cash balance is due to timing differences between tax receipts and expenditures. During fiscal year 2025, expenses were posted before corresponding revenues. Reimbursement will be received in fiscal year 2026.
65255	State Withholding Tax-Other	(\$3,120)	The purpose of this fund is to manage payroll state tax withholdings and process payments to the California Employment Development Department (EDD). The current negative balance resulted from a refund related to a DE9 correction, which was received beyond the allowable timeframe and will be recorded as an unrecoverable loss.
65135	Medicare Tax Other	(\$2,537)	This fund serves as a clearing account for the payroll department. The negative cash balance was the result of timing, as the tax deposit for the special district was processed in July but appeared on the U.S. Bank statement dated June 30. An entry was recorded to move this transaction into June to properly account for the payment in fiscal year 2025. As of August 2025, the fund reflects a positive balance.
65190	State Withholding Tax County	(\$1,829)	The purpose of this fund is to track activities related to payroll state withholding payments. The negative cash balance is primarily due to prior-year DE9 corrections received beyond the allowable timeframe. This balance will be recorded as an unrecoverable loss.
Grand Total of Negative Cash Balances		(\$26,069,209)	

Note: Negative cash balances for the above funds are obtained from the "Pool Detail Report Negative Cash Only" for Fiscal Year 2025 Accounting Period 12 Monthly.